gewgaws in order to avoid income tax. If by buying fur coats, old masters and diamond tiaras it will be be possible in future to avoid paying, not only income tax, but also a capital levy, it is to be feared that appeals to people to save their money and invest it in War Bonds are likely to be seriously interfered with.

Unfortunately, the *Statesman* was able to announce that the appeal for this system of taxation had been received with a good deal of sympathy by the Chancellor of the Exchequer, and the next stage in the history of the agitation was the publication on Boxing Day in several of the daily papers of what appeared to be an official summary, issued through the Central News, of what the Chancellor had said to the deputation of Labour Leaders introduced by Mr Sidney Webb, which waited on him, as already described, in the middle of November. Having pointed out that he had never seen any proposal which seemed to him to be practicable for getting money during the war by conscripting wealth, Mr Bonar Law added that, though " perhaps he had not thought enough about it to justify him in saying so/' his own feeling was that it would be better, both for the wealthy classes and the country, to have this levy on capital, and reduce the burden of the national debt when the war was over. It need not be said that this statement by the Chancellor has been very

far from helpful to the efforts of those who are trying to induce unthrifty citizens to save their money and put it into National War Bonds for the finance of the war.